

Message Text

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ACTION EUR-12

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C O N F I D E N T I A L OTTAWA 3744

POUCHED INFO ALL CANADIAN POSTS

E.O. 11652: GDS

TAGS: PINT, PGOV, CA

SUBJ: EARLY COMMENTARY AND ANALYSES OF CABINET SHUFFLE

REF: OTTAWA 3725

1. SUMMARY. EARLY COMMENTARY ON THE SEPT 14 CABINET SHUFFLE GIVES IT MIXED REVIEWS. THE OVERT MOVE OF TRUDEAU TO RESTORE BUSINESS CONFIDENCE HAS RECEIVED PROMINENT AND FAVORABLE MEDIA ATTENTION. ONE TOP ANALYST QUESTIONS, HOWEVER, WHETHER A MOVE TO THE RIGHT IS WISE POLITICALLY. THE SEVEN NEW CABINET FACES ARE SEEN, ON-BALANCE, AS VALUABLE ADDITIONS ALTHOUGH THERE IS CRITICISM OF ABBOTT'S BUSINESS BACKGROUND AS CREDENTIAL FOR CONSUMER PROTECTION AND MARCHAND'S LACK OF QUALIFICATIONS. PROGRESSIVE CONSERVATIVE (PC) OPPOSITION LEADER JOE CLARK PREDICTABLY HAS FOUND ESSENTIALLY SAME OLD FACES AFTER THE SHUFFLE. END SUMMARY.

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2. PATENT TRUDEAU EFFORT TO RESTORE BUSINESS

CONFIDENCE THROUGH CHRETIEN APPOINTMENT TO INDUSTRY, TRADE AND COMMERCE (ITC) PORTFOLIO WAS SUBJECT OF MONTREAL GAZETTE FINANCIAL PAGE FEATURE ENTITLED "PM IS TRYING TO REBUILD LINK WITH BUSINESS." CITING CHRETIEN'S IMPRESSIVE CREDENTIALS FOR THE JOB, STORY ASSERTS THAT CHRETIEN'S EMPHASIS WILL BE DIFFERENT FROM THAT OF HIS IMMEDIATE PREDECESSORS. CHRETIEN IS NOT, ACCORDING TO THE GAZETTE, "AN INTERNATIONAL SALESMAN BY TRAINING OR TEMPERAMENT AND A GOVERNMENT THAT IS SAGGING ON THE ROPES WILL NOT USE ONE OF ITS STRONGEST ASSETS TO NEGOTIATE FOREIGN TRADE DEALS THAT BRING FEW DOMESTIC VOTES." RATHER, THE GAZETTE SAYS, CHRETIEN WILL CONCENTRATE ON THE DOMESTIC FRONT WHILE DON JAMIESON, NEW EXTAFF MIN., "WILL SIMPLY CONTINUE THAT ASPECT OF THE WORK HE HAD BEEN DOING AT INDUSTRY, TRADE AND COMMERCE." COMMENT: WE SUPPORT THE VIEW THAT CHRETIEN WILL BE MORE DOMESTIC-ORIENTED WHILE JAMIESON CONCENTRATES ON THE INTERNATIONAL. AT THE SAME TIME, WE ANTICIPATE THAT CHRETIEN WILL INCREASINGLY BECOME AN INTERNATIONAL SALESMAN EVEN AS HE ATTENDS TO HIS DOMESTIC DUTIES. SINCE COMING TO OTTAWA IN 1963, CHRETIEN HAS SHOWN GREAT CAPACITY AS A QUICK LEARNER AND WE DO NOT SEE HIM BECOMING ONE-DIMENSIONAL IN HIS NEW JOB. END COMMENT.

3. THE CREATION OF A NEW MINISTRY OF STATE FOR SMALL BUSINESS HAS ALREADY HAD THE EFFECT, INITIALLY AT LEAST, DESIRED BY TRUDEAU. JOHN BULLOCK, PRESIDENT OF THE CANADIAN FEDERATION OF INDEPENDENT BUSINESS, HAD HIGH PRAISE SEPT 15 FOR THE MOVE NOTING THAT "IT GIVES US A POLITICAL VOICE IN CABINET. AND IT ALSO MEANS THAT WE NOW ARE PART OF HIGH-LEVEL POLICY DISCUSSIONS WITH GOVERNMENT AND BIG BUSINESS." AT THE SAME TIME, HOWEVER, THE GAZETTE ARTICLE NOTED ABOVE QUESTIONS WHETHER THE NEW MIN OF STATE, LEN MARCHAND, WILL BE UP TO THE JOB. IT POINTS OUT THAT HE HAS NO BUSINESS EXPERIENCE, HOLDS UNIVERSITY DEGREES IN AGRICULTURE AND FORESTRY
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AND HIS MAIN INTERESTS LIE IN THE FIELDS OF ECOLOGY AND NATIVE PEOPLE'S PROBLEMS (MARCHAND IS THE FIRST CANADIAN OF INDIAN BLOOD TO ENTER THE CABINET).

4. THE COUNTERVAILING EMPHASIS OF PUTTING TONY ABBOTT IN CHARGE OF CONSUMER PROTECTION (REF-TEL) HAS NOT GONE DOWN WELL. SEVERAL COMMENTATORS HAVE JUMPED ON ABBOTT'S CORPORATE LAW AND

BUSINESS BACKGROUND AS A SIGN OF HIS TRUE COLORS AS NO FRIEND OF THE CONSUMER. A SEPT 16 GLOBE AND MAIL STORY ENTITLED, "ABBOTT APPOINTMENT IS GREETED AS BAD NEWS FOR THE CONSUMER," QUOTES THE HEAD OF THE CONSUMERS ASSOCIATION OF CANADA AS SAYING THAT "HE'LL HAVE A HARD TIME CONVINCING CONSUMERS THAT HE IS WILLING TO ACT AS A VOCAL REPRESENTATIVE OF CONSUMER INTERESTS IN CABINET." COMMENT: WE STAND BY OUR ESTIMATE THAT ABBOTT WILL BECOME AN EFFECTIVE ADVOCATE OF CONSUMER INTERESTS. GRANTED HIS PREVIOUS BUSINESS ORIENTATION, ABBOTT IS TOO ACTIVE AND HAS TOO MUCH INTEGRITY TO BECOME A PATSY MINISTER. END COMMENT.

5. WHILE THERE HAS BEEN LITTLE CRITICISM OF TRUDEAU'S OLIVE BRANCH TO BUSINESS PER SE, GEOFFREY STEVENS IN THE SEPT 16 GLOBE AND MAIL QUESTIONED THE POLITICAL WISDOM OF THE APPARENT MOVE TO THE RIGHT. IN HIS VIEW, "THE NEW CABINET HAS THE APPEARANCE OF A GOVERNMENT DRIFTING SLOWLY TO THE RIGHT. THIS, HOWEVER, IS A TIME WHEN THE LIBERALS SHOULD BE MOVING BACK TO THE LEFT, SO THAT THEY CAN AGAIN HOG THE CENTER OF THE POLITICAL SPECTRUM IN TIME FOR THE NEXT ELECTION."

6. WILLIAM JOHNSON, ANOTHER GLOBE AND MAIL REPORTER/ANALYST, HOWEVER, WAS THE ONLY COMMENTATOR TO NOTE THE NEAT POLITICAL SIGNIFICANCE OF ANOTHER TRUDEAU MOVE. JUDD BUCHANAN, WHO IS IN CHARGE OF PATRONAGE IN ONTARIO, HAS BECOME MINISTER OF PUBLIC WORKS. ONTARIO, PARTICULARLY METRO-TORONTO, WILL BE PIVOTAL IN THE NEXT

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FEDERAL ELECTIONS. AS JOHNSON PUT IT, "ONTARIO, A KEY PROVINCE FOR HOPES OF A LIBERAL REBIRTH BEFORE POLITICAL EXECUTION, IS NOT BEING LEFT TO CHANCE."

7. FIVE OF THE NEW CABINET FACES HAVE RECEIVED UNIFORMLY EXCELLENT MEDIA REVIEW (THE EXCEPTIONS BEING TONY ABBOTT AND LEN MARCHAND FOR THE REASONS NOTED ABOVE.) NOT UNEXPECTEDLY, PROGRESSIVE CONSERVATIVE (PC) OPPOSITION LEADER JOE CLARK WAS UNIMPRESSED BY THE REJUVENATION EFFORT NOTING THAT "CORE GROUP" OF SAME OLD FACES (GOYER, LALONDE, MACDONALD, WHELAN, LANG, GILLESPIE, BASFORD AND RICHARDSON) REMAIN IN PLACE. NEW DEMOCRATIC PARTY (NDP) LEADER ED

BROADBENT TOOK A DIFFERENT CRITICAL LINE, NOTING
THAT THE VERY MAGNITUDE OF CHANGE SHOWS THAT
TRUDEAU KNOWS HIS GOVERNMENT IS IN DEEP TROUBLE.
HE ADDED THAT "CANADA NEEDS A POLICY CHANGE,
NOT AN IMAGE CHANGE."
ENDERS

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